

# Exhibit 4

**From:** Nicholas, Robert [robert.nicholas@veolia.com]  
**Sent:** Tuesday, February 03, 2015 1:04 PM  
**To:** Fahey, William  
**Subject:** Re: Flint Proposal Discussion

That might happen. The current intent is to get paid to do a week on site investigation to be clear what is going on, is it fixable and what we would need. That information would be used for defining the scope going forward.

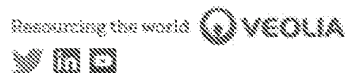
The ultimate focus is not on the water problem but fixing the entire utility. Its a great PPS, Delegated Management or O&M possibility. The water loss is 50% plus and there are problems on the waste water side as well.

On 3 February 2015 at 13:01, Fahey, William <[william.fahey@veolia.com](mailto:william.fahey@veolia.com)> wrote:  
no worries. I just want to understand the scope a bit. If we need to bring n people like Bill Thompson for compliance issues or JC Davoine for automation and control.

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On Mon, Feb 2, 2015 at 10:34 PM, Nicholas, Robert <[robert.nicholas@veolia.com](mailto:robert.nicholas@veolia.com)> wrote:  
Sorry Bill. You had sent an email to keep Kevin and Joe in the loop regarding the project. We were doing that. Easy to add you back in the loop. Your advice is appreciated.

On 2 February 2015 at 21:10, Fahey, William <[william.fahey@veolia.com](mailto:william.fahey@veolia.com)> wrote:

Mike

Thanks for bringing me into the loop on this status update. I would not have been aware if the technical scope without you sending it to me.

Thanks

BF

On Feb 2, 2015 8:13 PM, "MVB" <[mbyrnes@s1inc.com](mailto:mbyrnes@s1inc.com)> wrote:  
Thanks Rob and Dave. Great news to start off the year.

Sent from my iPad

On Feb 2, 2015, at 6:48 PM, David Gadis <[david.gadis@veolia.com](mailto:david.gadis@veolia.com)> wrote:

The client has to make an announcement and are better off giving them guidance. We have Marcom team in place and a strategy as well. The tech team is ready for a Tuesday kickoff.

EXHIBIT

Clarke 17

exhibitsticker.com

Sent from my iPhone

On Feb 2, 2015, at 6:43 PM, "Good, James" <[james.good@veolia.com](mailto:james.good@veolia.com)> wrote:

Are our people available to start next Tuesday?

As far as announcements go, let's not announce it. That should keep the activists at bay long enough for us to determine if a longer-term contract is viable and include a communications strategy with that.

On Mon, Feb 2, 2015 at 6:35 PM, Nicholas, Robert <[robert.nicholas@veolia.com](mailto:robert.nicholas@veolia.com)> wrote:

Good Afternoon

As many of you know Veolia was the only proposer to the RFP in Flint. The City contacted us late Friday night and we have since had a call with them today. The project is moving quickly and we want to keep you up to date on actions regarding it.

The City has an immediate problem with water quality and as such needs that fixed as soon as possible. That being said the City talked repeatedly about cutting the 50%+ water loss, reducing costs and getting through the next two years in switching water sources again. Both us and the City however want to get through the immediate problem. The results of the discussion included the following steps:

**1 Week Top Down Assessment** - Following the PPS terminology we would carry out a one week assessment of the water plant, distribution system and public communication protocol.

- **Scope** - The end result would be a confirmation of where the City is at now, validation that the current steps are working, what else could they do regarding treatment or distribution system operations and how to improve their communications protocol to restore trust from the public.
- **Price** - We told them 4 people at \$225 an hour plus expenses for one week. ((\$36,000 plus expenses).
- **Product** - The result would be a power point summary of the assessment including what additional effort Veolia needs to provide over the next four weeks.
- **Staffing** - This effort would include Marvin Gnagy, Depin Chen, a person from our communication department and our PR consultant from Detroit who also is known in Flint.
- **Contract** - The City is prepared to sign a contract in the next few days with a phone kick off or even visit on Friday and full start the following Tuesday. The City can move quickly. Its under the Emergency Manager form of government like Detroit had been. This step would determine what our scope would be moving forward.
- **Public Uproar** - Please keep in mind the water quality is a politically charged issue. We are coordinating with Scott on how best for the City to announce our contract with out generating the typical NGO response.
- **Due Diligence** - We see the one week study as a paid due diligence.

**Bottom UP Analysis** - Not knowing what is needed at this point as a solution or the potential for us, we suggested further investigation be defined during the one week evaluation.

- **Additional Scope** - This might be more water testing, on site time

with treatment processes or working with their engineers on the system hydraulics. The steps we would take in crafting any business case in a PPS project.

- **Need a Budget Number** - They asked us for some type of not to exceed for that period (to advice council and try to budget) knowing we haven't got enough information at this point for anything like that. We gave them \$86,400 plus expenses for four weeks of no more than 3 people. Explained that would be provided in a fixed fee based on the task. If we see PPS opportunities then we would include performance based incentives.

**Implementation** - The Emergency Manager wants to try and think ahead and get control of the situation instead of responding to problems.


- **Longer Term** - He is open for further work and is concerned about cutting costs (highest water rates in Michigan), surviving another change in water source with in 18 months and restoring public confidence. Raftelis has been hired to help with rate increases.
- **Unity with City** - Unlike Detroit, the Mayor and a majority of Council are in lock step with the Emergency Manager.
- **\$60M Op Ex** - Some of the problems include a 60% water loss. The City WILL NOT buy water from DWSD so they have to make their plant and system work both from a quality and financial standpoint.
- **Contract** - We are working with legal on a draft contract that could allow the study, additional investigation and then expansion for other activities for a longer term delegated management or PPS like of service.

The City would like a contract as soon as possible so that a call between us and their staff can occur on Friday and we start next Tuesday.

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